

Message Text

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ACTION ARA-10

INFO OCT-01 AF-10 ISO-00 EUR-12 OMB-01 TRSE-00 CIAE-00
DODE-00 PM-04 H-01 INR-07 L-03 NSAE-00 NSC-05
PA-01 PRS-01 SP-02 SS-15 USIA-06 ACDA-07 IO-13
EB-07 NRC-05 OES-07 FEAE-00 ERDA-05 COME-00 /123 W
-----251454Z 038655 /46

R 251310Z MAY 77
FM AMEMBASSY BRASILIA
TO SECSTATE WASHDC 1821
INFO AMEMBASSY ASUNCION
AMEMBASSY BONN
AMEMBASSY BUENOS AIRES
AMEMBASSY CARACAS
AMEMBASSY PRETORIA
AMCONSUL RIO DE JANEIRO
AMCONSUL SAO PAULO

C O N F I D E N T I A L SECTION 1 OF 2 BRASILIA 4219

E.O. 11652: GDS
TAGS: PFOR, BR
SUBJECT: FOREIGN MINISTER TESTIFIES ON BRAZILIAN FOREIGN
RELATIONS

1. SUMMARY. ALLEGED TESTIMONY OF FOREIGN MINISTER
SILVEIRA IN CLOSED SESSION OF SENATE FOREIGN RELATIONS
COMMITTEE WAS REPORTED EXTENSIVELY IN PRESS MAY 18.
SILVEIRA REPUTEDLY SAID US-GOB RELATIONS WERE GOING
THROUGH TRANSITION, CARPED AT DIPLOMATIC STYLE OF CARTER
ADMINISTRATION, AND CLAIMED US PRESSURES AGAINST FRG-GOB
ACCORD WERE MOTIVATED BY US DESIRE TO SELL REACTORS
ABROAD. PRESS ALLEGED SILVEIRA GUARANTEED PARAGUAY
WAS NOW ON SIDE OF BRAZIL, NOT ARGENTINA, AND WOULD
ACCEPT 60 CPS CURRENT FROM ITAIPU, CONVERTING ITS
ELECTRICAL GRID. ITAMARATY MAY 19 DENIED COMMENT ABOUT
PARAGUAY ASCRIBED TO SILVEIRA AS DID EMBASSY SENATE CONTACT,
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PRESENT AT TESTIMONY, SILVEIRA ALSO ADMITTED TO SOME FOREIGN
REACTION AGAINST GEISEL CLOSING OF CONGRESS, BUT SAID REACTION
HAD BEEN MITIGATED BY BREVITY OF CLOSURE AND ABSENCE OF
CASSATIONS. ESTADO HAS CRITICIZED SILVEIRA BITTERLY FOR HIS
TESTIMONY AND OTHER RECENT FAFFES. END SUMMARY.

2. MAY 18 PRESS REPORTED EXTENSIVELY ON TESTIMONY BY FOREIGN

MINISTER SILVEIRA LEAKED FROM CLOSED SESSION OF SENATE FOREIGN RELATIONS COMMITTEE MAY 17. SILVEIRA'S ALLEGED COMMENTS FOLLOW:

3. US-GOB RELATIONS. ESTADO SAID SILVEIRA EXPLAINED THAT RELATIONSHIP WAS PASSING THROUGH A PERIOD OF ACCOMMODATION TO A NEW REALITY IN INTERNATIONAL RELATIONS. HE SAID BRAZILIAN POSITIONS ADOPTED RECENTLY VIS-A-VIS THE US SERVED TO SHOW WASHINGTON THAT HIGH LEVEL OF DEVELOPMENT IN PAST FEW YEARS GAVE BRAZIL A NEW WEIGHT IN ITS GLOBAL RELATIONS. JORNAL DO BRASIL WROTE THAT SILVEIRA COMMENTED ABOUT THE NEW STYLE OF THE CARTER ADMINISTRATION, INDICATING THAT THE ADMINISTRATION HAD INTRODUCED NOVELTIES SUCH AS "VERBAL MESSAGES" WHICH WERE NOT DIRECTLY DELIVERED TO THE GOVERNMENTS INVOLVED, AND "NON-PAPERS" WHICH HAD NO OFFICIAL CHARACTER. SILVEIRA REFUSED TO REVEAL CONTENTS OF MARCH 30 CARTER LETTER TO GEISEL, BUT WAS ALLEGED TO HAVE CLAIMED THERE WAS A DIFFERENCE OF DATES BETWEEN THE TEXT TRANSMITTED BY CABLE AND WHAT WAS ACTUALLY IN THE ORIGINAL LETTER. TO QUESTION BY MDB SENATOR AS TO WHETHER IT WAS TRUE THAT PRESIDENT CARTER DID NOT LIKE STRONG GOVERNMENTS, SILVEIRA ALLEGEDLY RESPONDED "MALICIOUSLY" THAT "FOR ALL I KNOW, THE US LIKES NEITHER STRONG GOVERNMENTS NOR VERY WEAK GOVERNMENTS." JORNAL CLAIMED THERE WERE NO QUESTIONS ABOUT RECENT VISIT OF ASST. SECRETARY TODMAN. SILVEIRA ALSO DENIED KNOWLEDGE OF ANY BRAZILIAN PARTICIPATION IN BOEING, NORTHROP AND LOCKHEED PAYOFF SCANDALS.

4. FRG-GOB NUCLEAR ACCORD. ACCORDING TO ESTADO SILVEIRA SAID ITAMARATY HAD A TACTICAL MOTIVE IN NOT SPEAKING ABOUT ACCORD. IT WAS NOT IN THE INTEREST OF BRAZIL TO COMMENT ABOUT AN AGREEMENT ALREADY MADE. FORMINISTER SAID TO HAVE EXPLAINED CONFIDENTIAL

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US PRESSURES AGAINST THE ACCORD AS RESULTING FROM US FIRMS CONSTRUCTING 400 NUCLEAR REACTORS FOR EXPORT AND THE USG INTEREST IN SECURING A DOMINANT POSITION IN THE WORLD REACTOR MARKET. JORNAL DO BRASIL CLAIMED MINISTER INDICATED THERE WAS NO CHANCE BRAZIL OR FRG WOULD REVIEW THEIR NUCLEAR ACCORD. ACCORDING TO GAZETA MERCANTIL HE MOST SURPRISED SENATORS WHEN HE ALLEGEDLY GUARANTEED THAT EVEN IF IT WANTS TO, BRAZIL WILL NOT BE ABLE TO HAVE NUCLEAR ARMS IN THE SHORT TERM; FOR TO DO THIS, SHE WOULD HAVE TO ABANDON GOVERNMENT INVESTMENTS IN MANY HIGHER PRIORITY SECTORS. HE SAW NO PROBLEM FOR BRAZIL IN ITS SUBMITTING TO IAEA SAFEGUARDS FOR REPROCESSING OF URANIUM, AND ASSURED SENATORS BRAZIL WOULD NOT PERMIT FRG TO BUILD NUCLEAR ARMS AND WEAPONS IN BRAZIL. JORNAL DE BRASILIA SAID MINISTER USED RATIONALE THAT FRG COULD DEVELOP NUCLEAR WEAPONS IN TERRITORY MUCH CLOSER TO ITS OWN, SUCH AS AFRICA.

5. ITAIPU AND PLATE BASIN. ACCORDING TO ESTADO, SILVEIRA GUARANTEED THAT PARAGUAY WOULD ACCEPT 60 CPS CURRENT AT ITAIPU

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AND WOULD ALTER ITS ELECTRICAL NETWORK AS NECESSARY. HE ADDED THAT THERE WAS NO LONGER AN OSCILLATION OF PARAGUAY PENDULUM BETWEEN ARGENTINA AND BRAZIL, AS PARAGUAY HAD CLEARLY SWUNG TO THE SIDE OF BRAZIL. SILVEIRA SAID CONSTRUCTION OF ITAIPU WOULD IN NO WAY PREJUDICE ARGENTINA'S INTERESTS IN THE AREA. BRAZIL DID NOT ACCEPT NEED FOR TRIPARTITE NEGOTIATIONS OVER PARANA PROJECTS AND WOULD NOT CHANGE THE LEVEL OF ITAIPU. GAZETA MERCANTIL QUOTED MINISTER AS SAYING MAJOR PROBLEM IN NEGOTIATING WITH ARGENTINA WAS GREAT INTERNAL INSTABILITY.

6. REACTION ABROAD TO GEISEL DECREES. TO QUESTION ABOUT REACTION ABROAD TO GEISEL DECREES, PRESS REPORTED THAT SILVEIRA HAD ADMITTED THERE WAS A REACTION, BUT IT HAD BEEN MINIMIZED BECAUSE CONGRESS WAS CLOSED ONLY FOR A SHORT TIME, THAT CONSTITUTION PROVIDED FOR CLOSURE, AND THERE HAD BEEN NO CASSATIONS.

7. SOUTH AMERICAN RELATIONS. IN RESPONSE TO FEARS THAT BRAZIL

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MIGHT BE ISOLATED BY A CLASH OF INTERESTS WITH VENEZUELA AND ARGENTINA, PRESS CLAIMS FOREIGN MINISTER RESPONDED BY POINTING TO GROWING BRAZILIAN TRADE WITH HER NEIGHBORS. HE SAID BRAZIL WAS MAJOR TRADING PARTNER OF ARGENTINA, CHILE, BOLIVIA, PARAGUAY AND URUGUAY AND WOULD OCCUPY A PRIVILEGED POSITION WITH PERU AND COLOMBIA.

8. SOUTH AFRICA. SILVEIRA SAID BRAZIL MUST NOT LOOK FOR CLOSE RELATIONSHIP WITH SOUTH AFRICA BECAUSE MINORITY WHITE GOVERNMENT INSTALLED THERE WAS TRANSITORY.

9. AMAZON PACT. SEE SEPTTEL.

10. IN FIRST REACTION TO LEAKING OF MINISTER'S TESTIMONY, ITAMARATY ISSUED STATEMENT MAY 18 DENYING COMMENTS ASCRIBED TO MINISTER REGARDING FREQUENCY OF ITAIPU POWER GENERATION AND HIS SUGGESTION THAT FRG MIGHT WANT TO TEST NUCLEAR WEAPONS IN AFRICA. STATEMENT NOTED THAT FREQUENCY QUESTION WAS THE PREROGATIVE OF PARAGUAY. REGARDING NUCLEAR ACCORD, STATEMENT ADDED THAT SUBJECT WAS "EXCLUSIVELY BILATERAL, NOT HAVING ANY RELATION WITH ANY OTHER COUNTRY OR CONTINENT." JORNAL DE BRASILIA ALSO CLAIMED THAT ITAMARATY SOURCES DENIED SILVEIRA USED PENDULUM SIMILE IN SPEAKING ABOUT PARAGUAYAN-ARGENTINE-BRAZILIAN RELATIONS, AND ADDED THAT MINISTER KNEW PERFECTLY WELL HIS COMMENTS WOULD REACH PRESS AND THEREFORE WOULD NOT MAKE CONTROVERSIAL STATEMENTS THAT WOULD HARM BRAZILIAN EXTERNAL RELATIONS.

11. MDB SENATOR ITAMAR FRANCO, A MEMBER OF FOREIGN RELATIONS COMMITTEE, TOLD EMBASSY LOCAL EMPLOYEE THAT SILVEIRA HAD NOT USED PENDULUM SIMILE IN HIS TESTIMONY, NOR HAD HE SAID PARAGUAY WOULD SWITCH TO 60 CPS CURRENT. FRANCO SAID SILVEIRA REFERRED TO PARAGUAY AS "FLIRTING WITH 60 CPS" OPTION. FRANCO ADDED, HOWEVER, THAT PRESS REFERENCES TO OTHER SILVEIRA COMMENTS WERE GENERALLY ACCURATE. HE CHARACTERIZED FOREIGN MINISTER AS FRANK AND RESPECTFUL IN HIS STATEMENT TO SENATORS.

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12. COMMENTARY IN ESTADO MAY 19 NOTED GREAT APPRAHENSION IN ITAMARATY OVER LEAKING OF SILVEIRA'S COMMENTS AND THAT PLANALTO WAS ALSO DEEPLY IRRITATED. ESTADO SAID "FOREIGN DIPLOMATS" WERE PERPLEXED BY SILVEIRA'S STATEMENTS, PARTICULARLY AS THEIR VERACITY WAS CONFIRMED. SAME DIPLOMATS, ACCORDING TO ESTADO, WERE NOTING THIS WAS SILVEIRA'S SECOND GAFFE IN VERY SHORT PERIOD, THE FIRST BEING PRECIPITOUS REACTION TO ALLEGED COMMENT BY ASST. SECRETARY TODMAN IN CARACAS. MAY 20 ESTADO NOTED THAT FOREIGN MINISTRY CRITICISM OF CONGRESS FOR LEAKING TESTIMONY HAD BEEN SO SEVERE THAT IT THREATENED TO HARM ITAMARATY-CONGRESSIONAL RELATIONS, CAUSING ITAMARATY SPOKESMAN TO ISSUE STATEMENT TO PRESS MAY 19 DISASSOCIATING SILVEIRA FROM HIS STAFF'S CRITICISM OF CONGRESS.

LONG ESTADO COMMENTARY MAY 20 CRITICIZED SILVEIRA AGAIN FOR GAFFES (INCLUDING REACTION TO TODMAN STATEMENT) AND SAID HE HAD "SERIOUSLY COMPROMISED NOT ONLY THE STATUS OF THE NATION BUT ALSO THE ONCE EXCELLENT IMAGE AND FAME OF OUR DIPLOMACY". EDITORIAL ACCUSED HIM OF HURTING RELATIONS WITH PARAGUAY, ARGENTINA, US AND AFRICAN STATES, AND TOOK SILVEIRA TO TASK FOR ACCUSING US OF BEING MOTIVATED AGAINST NUCLEAR PROLIFERATION BY DESIRE TO SELL REACTORS. ACCUSING SILVIERA OF ANTI-AMERICANISM, ESTADO SAID, "PAPERS HAVE NOTICED WITH FREQUENCY THE CUTS IMPOSED BY THE US GOVERNMENT IN ITS OWN NUCLEAR PROGRAM AND THE PROHIBITIONS OF NEW EXPORTS AND INTERNAL PRODUCTION OF CERTAIN EQUIPMENT AND MATERIALS." PAPER CONCLUDED ITAMARATY HAD ISSUED EXPLANATIONS TO DEFEND AGAINST WHAT IT CANNOT DEFEND, "THE UNDIPLOMATIC VERBOSITY OF OUR CHIEF DIPLOMAT".

13. IN POSTSCRIPT TO HIS TESTIMONY EARLIER IN WEEK, SILVEIRA TOLD PRESS IN RIO MAY 19 RE ITAIPU CURRENT FREQUENCY THAT SUBJECT WAS EXCLUSIVELY WITHIN PARAGUAY'S SOVEREIGNTY BUT THAT THERE WAS LITTLE DIFFICULTY IN INSTALLING TURBINES OF EITHER FREQUENCY AT DAM. HE ADDED, HOWEVER, THAT THERE WAS A GLOBAL TREND TO 60 CPS CURRENT AND TO CONVERT WOULD NOT COST PARAGUAY THAT MUCH RELATIVE TO TOTAL COST OF ITAIPU.

14. SPEAKING FOR GOVERNMENT MAY 23, SENATOR VIRGILIO TAVORA DENIED
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PRESS REPORTS OF SILVIERA TESTIMONY INVOLVING ARGENTINA AND PARAGUAY BEFORE FOREIGN RELATIONS COMMITTEE. TAVORA ALSO REGRETTED LEAKS WHICH LED TO FALSE REPORTS OF SILVIERA COMMENTS. HE WAS SUPPORTED BY MDB SENATOR ITAMAR FRANCO WHO NOTED MDB DISAGREED WITH GOVERNMENT'S INTERNAL POLICY BUT SUPPORTED BRAZILIAN FOREIGN POLICY TOTALLY. FRANCO ADDED THAT SILVEIRA HAD SPOKEN WITH ADMIRATION OF ALL NATIONS ON CONTINENT DURING HIS TESTIMONY.
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Message Attributes

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